

EXECUTIVE BOARD COMMISSIONING SUB-COMMITTEE – 16 JULY

Subject:	Financial Vulnerability Advice and Assistance Strategic Commissioning Review Progress Update		
Corporate Director(s)/ Director(s):	Alison Michalska, Corporate Director – Children and Adults Candida Brudenell, Strategic Director for Early Intervention		
Portfolio Holder(s):	Councillor Graham Chapman – Portfolio Holder for Resources and Neighbourhood Regeneration Councillor Alex Norris – Portfolio Holder for Adults, Commissioning and Health		
Report author and contact details:	Bobby Lowen, Lead Commissioning Manager 0115 876 3571 alan.lowen@nottinghamcity.gov.uk		
Key Decision	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Subject to call-in
			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons:	<input type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
	<input type="checkbox"/> Revenue	<input type="checkbox"/> Capital	
Significant impact on communities living or working in two or more wards in the City	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Total value of the decision: N/A			
Wards affected: All	Date of consultation with Portfolio Holder(s): Councillor Chapman – 19 June 2014		
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input checked="" type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input checked="" type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users): This report provides an update of the progress of the Financial Vulnerability Advice and Assistance Strategic Commissioning Review (FVAA SCR), which aims to make best use of resources available to NCC to assist citizens experiencing (or at risk of experiencing) financial difficulty.			
Exempt information: None.			
Recommendation(s):			
1 To note the output of the initial stages of analysis, the key lines of enquiry for further investigation and revised timescales for the conclusion of the review.			
2 To note that there are no financial implications associated with this report.			

1 REASONS FOR RECOMMENDATIONS

- 1.1 Executive Board Commissioning Sub-Committee has approved plans for a review of funding for the provision of services to assist citizens experiencing financial difficulty, and has delegated responsibility for approval of commissioning decisions to follow. The Sub-Committee is therefore asked to note progress with the review as it works towards developing plans and recommendations for the further use of resources.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 In March 2014, Executive Board Commissioning Sub-Committee approved plans for the Early Intervention Directorate to lead a strategic commissioning review of funding by NCC for the provision of advice and assistance to aid citizens experiencing financial difficulty. This review is known as the Financial Vulnerability Advice and Assistance Strategic Commissioning Review (FVAA SCR).
- 2.2 The scope of the review has been developed in partnership with key stakeholders from NCC and partner organisations. It includes:
- improving understanding of who in Nottingham is experiencing (or is at risk of experiencing) financial difficulty, causes and difficulties faced, and how this is changing (e.g. as a consequence of Welfare Reforms);
 - reviewing resources available to NCC / consideration of other resources available (e.g. to partner organisations, volunteering, etc) to assist people in financial difficulty;
 - exploring opportunities to improve outcomes for Nottingham's citizens and to use resources more effectively, e.g. through increased prevention; by supporting citizens or households with associated issues (e.g. housing, employment, etc) in the round; by improving pathways and ensuring that services work together efficiently; and by seeking to resolve problems more permanently, including through access to employment;
 - seeking to ensure that Nottingham City Council's further investment in advice and assistance supports the Council to continue to respond to demand and to meet important priorities (e.g. protecting the most vulnerable, tackling poverty and deprivation, and supporting more people to improve their prospects through access to employment).
- 2.3 Areas of activity funded by NCC directly within scope of the review include the (internal) NCC Welfare Rights service, external welfare rights services (including the citywide service, locality based services, and services catering to asylum seekers and refugees and people with impaired hearing), the Crisis Intervention Drop-In service. Other areas of NCC funded activity providing assistance to people experiencing financial difficulty (e.g. Housing Aid) are also in scope. The review will also seek to consider other areas of activity not funded by NCC (e.g. provided by the voluntary or faith sectors, or by a national provider) offering support to Nottingham's citizens.
- 2.4 The FVAA SCR forms part of the Council's Employment and Welfare Support Programme, which is working to:
- support those who can work get into work and/or better paid work;
 - support those who cannot work to enjoy the best quality of life they can and to make a contribution to the life of the City;

- improve the level of financial capability within our communities and reduce dependency on crisis, irresponsible and/or expensive lenders.

- 2.4 The FVAA SCR has proceeded in accordance with the Council's commissioning pathway. Initial analysis to refine the scope of the review and to identify broad areas of pressure and opportunities for improvement has now been completed. The review has sought to tap in to the experience and insight of stakeholders by providing opportunities for engagement through online surveys and through an open event held on the 15 May 2014.
- 2.5 Initial analysis highlights financial vulnerability as a significant issue for Nottingham, with relatively high rates of unemployment, benefit dependency and other measures of deprivation associated with the risk of financial difficulty. Research reported in the Indebted lives report (2013) produced by the Money Advice Service places Nottingham City as second nationally by local authority area in terms of the proportion of the population experiencing unmanageable debt (41.2%). Deprivation characterised by low or insecure financial standing is linked to other important outcomes affecting quality of life and prospects, including health and life expectancy (Fair Society, Healthy Lives: The Marmot Review, 2010), educational attainment and experiences of crime.
- 2.6 Analysis completed so far suggests an increase in demand for services (both commissioned and non-commissioned) offering support to people experiencing financial difficulty. Probable causes of demand include welfare reforms, difficulties associated with the benefits system (e.g. navigating or challenging decisions, pending decisions, etc) and poorly paid or insecure employment. Citizens most acutely affected include those with additional difficulties, e.g. those with a physical and/or mental health problem.
- 2.7 Nottingham City Council is under significant pressure to reduce expenditure on its services in order to manage budgetary pressure arising from shrinking funding from central Government and increased demand for statutory provision. This review is expected to support this by identifying opportunities for increased efficiency.
- 2.8 Table 1 sets out opportunities to use resources more effectively identified in co-operation with stakeholders through the initial stages of the review. The opportunities highlighted include stemming demand (e.g. through increased prevention and reducing repeated use), improving efficiency (improved co-ordination and integration) and attracting or making better use of available resources (e.g. volunteering and sponsorship).
- 2.9 Table 1. Emerging commissioning opportunities

Area of opportunity for improvement	Includes:
Building resilience	<ul style="list-style-type: none"> • Reviewing education in schools / targeted prevention (advice or training) for young people and adults, especially in at risk groups • Remedial courses to reduce repeat difficulty
Prevention and earlier engagement	<ul style="list-style-type: none"> • Improved detection to reduce progression of difficulty (e.g. through landlords, health services, social care

Area of opportunity for improvement	Includes:
	<ul style="list-style-type: none"> and services for families) • Early support or referral to advice services
Improving access to advice and assistance	<ul style="list-style-type: none"> • Outreach or co-location of services (e.g. targeting or presence in schools, doctors' surgeries, etc) • Reviewing access points across system, central access points and media (e.g. web) • Reviewing the location of services relative to need
Putting citizens at the centre; co-ordination of activity and support; efficiency	<ul style="list-style-type: none"> • Triage / 'tiering' of support across services • Improving co-ordination (navigator, key worker; advocacy; more strategic signposting) • Reduced duplication – integration and pooled resource • Develop pathway / an outcome based system • More targeted use of specialist support
Access to employment to improve prospects / sustainment	<ul style="list-style-type: none"> • Clearer pathway towards employment (e.g. links and integration with the Job Centre Plus, etc) • Commission advice with links / requirements around employment and monitor
Collection and use of data	<ul style="list-style-type: none"> • Reviewing data capture – internal / contracted services and use (e.g. for continuous process improvements; to inform commissioning) • Data sharing across services
Identifying alternative resources / funding	<ul style="list-style-type: none"> • Training for non-commissioned services and staff • Volunteering within commissioned services / freeing paid staff to offer specialist support • Review contributions from other funders / contribution from private sector

2.10 A project team with representation from NCC, the voluntary sector and other key stakeholders is to be convened to develop a programme of activity to explore the opportunities to follow up on these prospective areas of improvement. This activity is expected to include further targeted research and co-productive planning with stakeholders to examine viability / profitability of the available approaches and to work towards an overall plan for the use of resources. Recommendations for the implementation of this plan are to be presented to Executive Board Commissioning Sub-Committee in November 2014. An indicative timeline for this activity can be found in appendix 1.

2.11 A number of opportunities for improvement that do not require commissioning input have also been identified. These opportunities include steps to develop existing links and relationships between current services, to improve marketing and communications, to promote access to responsible lending and to tackle other 'poverty premium' issues, and the strengthening of management of current contracts for the provision of advice services. These opportunities have been fed back into the Employment and Welfare Support Programme to be carried forward.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Discontinuing the review and maintaining current provision. Analysis conducted in the initial stages of the review suggests that this would not enable the Council to respond to financial and demand pressures identified. For this reason, this option was rejected.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 The total value of services directly in scope of the review (excluding related services) is approximately £1.9m.
- 4.2 The activity's aim is to enable the Council to manage pressure on its budgets and maintain its commitment to value for money for Nottingham's citizens. These outcomes will be linked into the budget process to support the development of the 2015/16+ Medium Term Financial plan.
- 4.3 Spend associated with areas of the review will require approval through the appropriate process.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 Finance Advice: This report does not raise any significant legal issues. Legal Services will provide advice and assistance as necessary to support the ongoing review.
Andrew James – Team Leader, Contracts and Commercial.
- 5.2 The review methodology allows for extensive engagement with a range of stakeholders so as to provide the opportunity for co-production and the corresponding likelihood that final commissioning recommendations will be supported.

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 Opportunities to improve economic well-being in Nottingham are specifically within the scope of the Financial Vulnerability Advice and Assistance SCR. By virtue of the type of services being commissioned, social improvements are expected to be delivered, particularly to citizens receiving services, but economic improvement are also expected with regard to the terms under which service providers employ their staff. Such consideration will support compliance with the Public Services (Social Value) Act 2012, and this will be embedded into any procurement process.

7 REGARD TO THE NHS CONSTITUTION

- 7.1 Not applicable.

8 EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 AN EIA is not needed, as the report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 Financial Vulnerability Advice and Assistance Project Initiation Document

9.2 Employment and Welfare Support Programme Project Initiation Document

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 “2014/15 Strategic Commissioning Intentions” – Report of the Strategic Director of Early Intervention; Executive Board Commissioning Sub-Committee 12 March 2014.

10.2 “Indebted lives: the complexities of life in debt”, The Money Advice Service, November 2013.

10.3 “Fair Society, Healthy Lives: The Marmot Review”, Institute of Health Equity, February 2010.

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

11.1 Ceri Walters, Finance Business Partner, Strategic Finance

11.2 Andrew James, Team Leader Contracts and Commercial, Legal Services